Contracting Officer Responsibilities

Concerning

Organizational Ethical Issues

Conflicts of Interest

- Can be individual OR Organizational

"Organizational conflict of interest" means that because of other activities or relationships with other persons (or governmental entities), a person (contractor) is unable or potentially unable to render impartial assistance or advice to the Government, or the person's (contractors) objectivity in performing the contract work is or might be otherwise impaired, or a person (contractor) has an unfair competitive advantage.

EXAMPLES abound both in and outside of the Government

Enron – AUDITORS?

Redstone Educational Center

PERSONAL CONFLICTS CAN CREATE ORGANIZATIONAL CIs

- RETIRING GOVT (mil or civ) CANNOT
  - LEGALLY SWITCH SIDES
  - REPRESENT BACK

  AMONG OTHER PROBLEMS – COMPANY CAN BECOME INELIGIBLE – BOEING/DRUYUN ex.

  The company should seek their own "HR" type counsel and each individual should get ethics advice prior to negotiating for post retirement employment

  Sources = FAR part 3, Procurement Integrity

  Mandatory Ethics Training now includes acquisition topics!

Two Underlying Principles in Government Contracts

- Prevent conflicting roles that might bias a contractor's judgment ---- consultant benefiting from his contracted advice
- Preventing an unfair competitive advantage

Source = FAR 9.505 "Organizational and Consultant Conflicts of Interest

KO shall analyze planned Acquisitions

1. Identify and evaluate potential organizational conflicts of interest as early as possible in the acquisition process

AND

2. Avoid, neutralize, or mitigate significant potential conflicts before contract award

Source = FAR 9.504

Personal Example

- GD had “Virtual Warfighter”Testing Facility
- USAF needed testing done
- USAF KO cautioned GD
- GD had to decide which work they wanted to compete for realizing that one had to go
  - Identified EARLY by USAF KO
  - ation possible

Application to HCP Ks

- Applies here just as in any G K
- Lots of Litigation in G Ks over Past Year
- Precluding OCI MUCH BETTER than reacting to them after the fact
- Preventing Problems early helps provide BEST POSSIBLE HC TO SOLDIER

UNNECESSARY LEGAL PROBLEMS DO NOT HELP SOLDIERS' HEALTHCARE NEEDS